

London Borough of Enfield

OPERATIONAL DECISION

Subject: Purchasing of Equipment – Yorkshire Purchasing Organisation Framework

Cabinet Member: Councillor Alev Cazimoglu

Executive Director: Tony Theodoulou

Key Decision: Yes - KD 5305

Purpose of Report

1. Following market testing, it has been identified that the purchasing of equipment should be made through a purchasing framework in line with the Council's Contract Procedure Rules. The Council spends £1.1 million per annum on community equipment.

The benefit of joining a framework is assured quality and value for money, price and quality matching are key components of a framework. There is no guarantee of business, so the Council is not tied into an arrangement which does not work for it.

Proposal(s)

That the Council participates in the Framework for ['Health and Social Care Equipment, Service and Maintenance – 766'] managed by the Yorkshire Purchasing Organisation (YPO) and, in order to do so, signs an Access Agreement and call-off contracts with individual suppliers on the Framework.

Reason for Proposal(s)

1. Currently the Integrated Community Equipment service does a lot of benchmarking and spot purchase of equipment. While this delivers good value for money, it can be time consuming and labour intensive. The YPO framework operates nationally to deliver economies of scale through mass purchasing.

The framework itself does not require the Council to guarantee a level of business. If the Council can secure equipment of comparable quality at a lower price, then it is free to do so.

Relevance to the Council Plan

2.

Fairness for All

The availability and choice of good quality, safe and sustainable provision to support individuals, particularly older people, to continue to live independently within their own homes.

Growth and Sustainability

To support the sustainability of local businesses delivering necessary services to local people.

Strong Communities

To support local services to meet local needs by being able to recruit a high calibre workforce from the local community which is reflective of the borough's diverse ethnic mix

Background

3. YPO was formed as the Yorkshire Purchasing Organisation in 1974 as a joint committee of local authorities, and grew through the 1970s and 80s as schools gained power of their own budgets under the Local Management of Schools provisions of the Education Reform Act 1988. The organisation is unsubsidised and budgets to make a small surplus each year, with profits returned to member authorities and customers.

YPO supplies products and services to a wide range of customers including schools, local authorities, charities, emergency services, public sector and other businesses such as nurseries and care homes. They are 100% publicly owned, by 13 local authorities, which means the profits they make are returned to the public sector customers, delivering even better value for money. They have a large choice available from leading UK suppliers. It claims to be the 'largest formally constituted public sector buying organisation in the UK.

Integrated Community Equipment Service (ICES) procures equipment on behalf of social care and health to value of over one million pounds a year. This includes a range of equipment from hoists, specialised beds and so forth. The service needs to be able to deliver equipment in a timely manner to support discharges from hospital and support service users living in the community.

Currently the service does a lot of benchmarking and spot purchase of equipment. While this delivers good value for money, it can be time consuming and labour intensive. The YPO framework operates nationally to deliver economies of scale through mass purchasing.

The framework itself does not require the Council to guarantee a level of business. If the Council is able to secure equipment of comparable quality at a lower price, then it is free to do so.

Main Considerations for the Council

4.

Given the fact the Council procures equipment on behalf of social care and health to value of over one million pounds a year, it would be prudent to join the YPO framework to provide the assurance we are purchasing equipment of assured quality and value for money. ICES will continue to try and source locally all types of equipment to support the local community. Where this is not possible, the service will keep a clear record of the type of equipment being procured, whether it was available or not and the difference in cost. This information will be used to look at whether we can work with potential local suppliers to provide the equipment we require.

Safeguarding Implications

5.

No safeguarding implications

Public Health Implications

6.

No Public Health Implications.

Equalities Impact of the Proposal

7.

Providing a sustainable equipment market and facilitating choice. Control and best value in terms of access to multiple suppliers. Will continue to support service users in their home or to be appropriately supported in a care home.

Environmental and Climate Change Considerations

8.

N/A

Risks that may arise if the proposed decision and related work is not taken

9.

There are no risks associated with joining the framework as there is no guarantee of business, so the Council is not tied into an arrangement which does not work for it

Financial Implications

10.

Currently the Council spends approximately £1.1m per year for the procurement of Integrated Community Equipment Service, which is from spot purchasing. The price and quality of different suppliers is compared before placing an order. By joining the Yorkshire Purchasing Organisation Framework (YPO), the Council may be able to obtain lower prices for the same or similar equipment. The Council however is still free to procure community equipment from other suppliers to obtain best value. It is currently not possible to estimate the potential savings of using YPO, however this will be continuously monitored.

Legal Implications

11.

Provided by CP based on version of Report circulated on 16 May 2022

The Council has duties under the Care Act 2014 to provide care and support services to adults who have been assessed as being eligible under the Act. Section 1 of the Local Government (Contracts) Act 1997 provides that every statutory provision that confers a function on the Council shall also confer a power on the Council to enter into contract with a third party to make available the assets or services or both in relation to the discharge of such function.

The procurement of the equipment pursuant to this report must be carried out in accordance with the Council's Constitution, in particular the Contract Procedure Rules ("CPRs") and, where applicable, the Public Contracts Regulations 2015.

The use of a framework is a compliant procurement route provided the purchase orders are placed in accordance with its terms. A due diligence exercise must be carried out by the Procurement and Commissioning Hub prior to calling off from a framework and the Council must be clearly identified as a contracting authority able to use the framework when the framework was set up.

The contract documentation entered into pursuant to the framework must be in a form approved by Legal Services on behalf of the Director of Law and Governance.

Workforce Implications

12.

There are no workforce implications

Property Implications

13.

N/A

Other Implications

14. There are no other implications

Options Considered

15. The Council could do nothing and continue to spot purchase; however, this does not necessarily guarantee best value and therefore is not a viable option

Conclusions

16. Approval is given to join the Yorkshire Purchasing Organisation Framework (YPO) which will continuously be monitored to ensure the Council is achieve best value
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